

<i>SERFF Tracking Number:</i>	<i>NAVG-125847854</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Navigators Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>SP-R-908-AR</i>		
<i>TOI:</i>	<i>17.1 Other Liability - Claims Made Only</i>	<i>Sub-TOI:</i>	<i>17.1006 Directors & Officers Liability</i>
<i>Product Name:</i>	<i>Private Smart Policy Initial Program Filing</i>		
<i>Project Name/Number:</i>	<i>Private Smart Policy Initial Program Filing/SP-R-908-AR</i>		

Filing at a Glance

Company: Navigators Insurance Company

Product Name: Private Smart Policy Initial Program Filing
 SERFF Tr Num: NAVG-125847854 State: Arkansas

TOI: 17.1 Other Liability - Claims Made Only SERFF Status: Closed State Tr Num: EFT \$100
 Sub-TOI: 17.1006 Directors & Officers Liability Co Tr Num: SP-R-908-AR State Status: Fees verified and received

Filing Type: Rate/Rule Co Status: Reviewer(s): Betty Montesi, Edith Roberts

Authors: Orlando Moreno, Katie Cook

Date Submitted: 11/05/2008 Disposition Date: 12/08/2008
 Disposition Status: Exempt from Review

Effective Date Requested (New): On Approval

Effective Date Requested (Renewal): On Approval

State Filing Description:

General Information

Project Name: Private Smart Policy Initial Program Filing

Project Number: SP-R-908-AR

Reference Organization:

Reference Title:

Filing Status Changed: 12/08/2008

State Status Changed: 12/08/2008

Corresponding Filing Tracking Number:

Filing Description:

Dear Reviwer:

On the behalf of Navigators Insurance Company, we are submitting on a file and use basis the rates for our new SmartPolicy which is designed to provide management liability lines including Directors and Officers, Employment Practices Liability and Fiduciary Liability coverage for private companies, all within one form. The Insureds will have the option of purchasing some or all of these coverage parts and within each coverage part will have additional options to

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

<i>SERFF Tracking Number:</i>	<i>NAV-125847854</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Navigators Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>SP-R-908-AR</i>		
<i>TOI:</i>	<i>17.1 Other Liability - Claims Made Only</i>	<i>Sub-TOI:</i>	<i>17.1006 Directors & Officers Liability</i>
<i>Product Name:</i>	<i>Private Smart Policy Initial Program Filing</i>		
<i>Project Name/Number:</i>	<i>Private Smart Policy Initial Program Filing/SP-R-908-AR</i>		

purchase certain coverage extensions. The Directors and Officers Coverage Part (NAV-SPDO-001 (9/08)) will be the anchor coverage part, with the remaining two coverage parts optional.

We will be using our previously filed rating manual for our Directors and Officers Liability Insurance Policy (Including Employment Practices Liability Coverage) for this new product. Attached please find the new rating plan for the Fiduciary Coverage Part (NAV-SPFL-001 (9/08)) for Navigators Insurance Company. Navigators Specialty Insurance Company, a wholly owned subsidiary of Navigators Insurance Company, has been underwriting Fiduciary Liability Insurance since 2002. After six years of acceptable underwriting results Navigators Insurance Company concludes the attached rating plan is valid.

Your review and acknowledgement of this submission is hereby requested and very much appreciated. Thanks!

Sincerely,

Orlando Moreno
Compliance Analyst
Navigators Insurance Company
Tel: (847) 285-9006

Company and Contact

Filing Contact Information

Katherine Cook, Compliance Analyst
1375 E. Woodfield Rd.
Schaumburg, IL 60173

kcook@navg.com
(847) 285-9022 [Phone]
(847) 230-1934[FAX]

Filing Company Information

Navigators Insurance Company
1375 E. Woodfield Rd.
Schaumburg, IL 60173

CoCode: 42307
Group Code: 510
Group Name: Navigators Group,
Inc.

State of Domicile: New York
Company Type: P&C
State ID Number:

(847) 285-9006 ext. [Phone]

FEIN Number: 13-3138390

SERFF Tracking Number: *NAVG-125847854* *State:* *Arkansas*
Filing Company: *Navigators Insurance Company* *State Tracking Number:* *EFT \$100*
Company Tracking Number: *SP-R-908-AR*
TOI: *17.1 Other Liability - Claims Made Only* *Sub-TOI:* *17.1006 Directors & Officers Liability*
Product Name: *Private Smart Policy Initial Program Filing*
Project Name/Number: *Private Smart Policy Initial Program Filing/SP-R-908-AR*

Filing Fees

Fee Required? Yes
Fee Amount: \$100.00
Retaliatory? No
Fee Explanation:
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Navigators Insurance Company	\$100.00	11/05/2008	23723873

<i>SERFF Tracking Number:</i>	<i>NAVG-125847854</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Navigators Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>SP-R-908-AR</i>		
<i>TOI:</i>	<i>17.1 Other Liability - Claims Made Only</i>	<i>Sub-TOI:</i>	<i>17.1006 Directors & Officers Liability</i>
<i>Product Name:</i>	<i>Private Smart Policy Initial Program Filing</i>		
<i>Project Name/Number:</i>	<i>Private Smart Policy Initial Program Filing/SP-R-908-AR</i>		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Exempt from Review	Edith Roberts	12/08/2008	12/08/2008

<i>SERFF Tracking Number:</i>	<i>NAVG-125847854</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Navigators Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>SP-R-908-AR</i>		
<i>TOI:</i>	<i>17.1 Other Liability - Claims Made Only</i>	<i>Sub-TOI:</i>	<i>17.1006 Directors & Officers Liability</i>
<i>Product Name:</i>	<i>Private Smart Policy Initial Program Filing</i>		
<i>Project Name/Number:</i>	<i>Private Smart Policy Initial Program Filing/SP-R-908-AR</i>		

Disposition

Disposition Date: 12/08/2008

Effective Date (New):

Effective Date (Renewal):

Status: Exempt from Review

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number:	NAVG-125847854	State:	Arkansas
Filing Company:	Navigators Insurance Company	State Tracking Number:	EFT \$100
Company Tracking Number:	SP-R-908-AR		
TOI:	17.1 Other Liability - Claims Made Only	Sub-TOI:	17.1006 Directors & Officers Liability
Product Name:	Private Smart Policy Initial Program Filing		
Project Name/Number:	Private Smart Policy Initial Program Filing/SP-R-908-AR		

Item Type	Item Name	Item Status	Public Access
Supporting Document	NAIC Transmittal	Accepted for Informational Purposes	Yes
Rate	SmartPolicy Fiduciary Manual	Accepted for Informational Purposes	Yes
Rate	Fiduciary Rating Plan - AR EXCEPTION PAGE	Accepted for Informational Purposes	Yes

<i>SERFF Tracking Number:</i>	<i>NAVG-125847854</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Navigators Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>SP-R-908-AR</i>		
<i>TOI:</i>	<i>17.1 Other Liability - Claims Made Only</i>	<i>Sub-TOI:</i>	<i>17.1006 Directors & Officers Liability</i>
<i>Product Name:</i>	<i>Private Smart Policy Initial Program Filing</i>		
<i>Project Name/Number:</i>	<i>Private Smart Policy Initial Program Filing/SP-R-908-AR</i>		

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number:	NAVG-125847854	State:	Arkansas
Filing Company:	Navigators Insurance Company	State Tracking Number:	EFT \$100
Company Tracking Number:	SP-R-908-AR		
TOI:	17.1 Other Liability - Claims Made Only	Sub-TOI:	17.1006 Directors & Officers Liability
Product Name:	Private Smart Policy Initial Program Filing		
Project Name/Number:	Private Smart Policy Initial Program Filing/SP-R-908-AR		

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Accepted for Informational Purposes	SmartPolicy Fiduciary Manual	Pages 1-3	New	FiduciaryPlan.pdf
Accepted for Informational Purposes	Fiduciary Rating Plan - AR EXCEPTION PAGE		New	Fiduciary Rating Plan - AR EXCEPTION PAGE.pdf



Navigators Insurance Company

Fiduciary Liability Insurance Rating Plan

Countrywide Manual

1. Coverage

The policy provides liability protection for Companies sponsoring Employee Benefit Plans, the Fiduciaries of these plans and the plans themselves for claims arising out of actual or alleged wrongful acts. The coverage is written in a "claims made" basis. The coverage applies only to claims first made against any Insured while the policy is in force.

2. Term Premiums

The rates in this rating plan are for one year.

3. Unique or Unusual Risks

If a risk presents unique or unusual hazards or exposures such that the application of normal rating procedures does not produce a reasonable or equitable premium, the risk shall be referred to the company for rating. All "Referral to Company" or "Individual Risk Situations" must comply with any regulatory requirements for state specific filing procedures. When the company is not required to file an individual risk filing with the insurance department, the company will maintain complete files showing how it determined the rate for the individual risk and will make such files available to the insurance department upon request.

4. Base Premium

The base premium is predicated on the total assets of the Benefit Plans to be insured according to the following schedule.

Total Plan Assets (000)	Incremental Increase in Assets in Column 1	Premium Charge per 1000 from Column 2	Total Premium for Asset Increment (Column 2 x 3)	Total Premium to be Charged for Company with Plan Assets in Column 1
250	250	4	1,000	1,000
500	250	2	500	1,500
1,000	500	1	500	2,000
2,000	1,000	.5	500	2,500
3,000	1,000	.4	400	2,900
4,000	1,000	.3	300	3,200
5,000	1,000	.2	200	3,400
7,500	2,500	.1	250	3,650
10,000	2,500	.1	250	3,900
15,000	5,000	.1	500	4,400
20,000	5,000	.05	250	4,650
25,000	5,000	.05	250	4,900
50,000	25,000	.025	625	5,525
100,000	50,000	.025	1,250	6,775
250,000	150,000	.01	1,500	8,275
500,000	250,000	.01	2,500	10,775
1,000,000	500,000	.009	4,500	15,275
10,000,000	9,000,000	.004	360,000	375,275

>10,000,000		.003		
-------------	--	------	--	--

Example: A company that has \$35 million in total Benefit Plan assets would receive the charge for each increment up to 25 million (aggregate of column 4 up to 25 million = \$4,900). Then they would receive 40% (10/25) of the premium charge for the next increment (.4 x 625 = 250). Thus the total base premium is 4,900 + 250 = 5,150.

5. **Limit and Deductible Factors**

After the base premium is determined, a factor from the following table is applied to determine the premium for a given limit of liability and deductible. Limit Options greater than \$5mm or less than \$.5mm are not available. Factors for other deductible and limit options are determined through interpolation.

Limit of Liability Options						
Deductibles	.5mm	1mm	2mm	3mm	4mm	5mm
0	.62	1.08	1.76	2.30	2.72	3.12
5,000	.61	1.06	1.73	2.25	2.67	3.06
10,000	.60	1.04	1.69	2.21	2.62	3.00
15,000	.59	1.02	1.66	2.16	2.57	2.94
25,000	.58	1.00	1.63	2.12	2.52	2.88
50,000	.57	.98	1.60	2.08	2.47	2.82
75,000	.55	.95	1.55	2.02	2.40	2.74
100,000	.53	.92	1.50	1.96	2.33	2.66
250,000	.47	.83	1.39	1.83	2.19	2.51
500,000	.40	.73	1.25	1.67	2.02	2.33
750,000	.36	.66	1.15	1.55	1.88	2.19
1mm	.33	.60	1.06	1.45	1.78	2.07
2.5mm	.22	.42	.77	1.08	1.35	1.60
5mm	.15	.29	.55	.78	.99	1.19
7.5mm	.11	.22	.43	.62	.79	.96
10mm	.09	.18	.35	.51	.66	.80

6. **Rate Modifications**

Modifiers are to be applied to the base premium based on the particular characteristics of an individual risk. The following are areas of evaluation and the range of factors to be applied:

A. Financial Performance

Leverage (debt)	.80 – 1.20
Liquidity	.80 – 1.20
Profitability	.80 – 1.20

We will calculate the company's performance relative to their industry peers and assign a modifier based on this.

B. Other Modifiers

Employee Stock Ownership Plan (ESOP)	1.00 – 1.50
Funding Status of Defined Benefit Plans	1.00 – 1.25
Acquisition, Divestiture Activity	.95 – 1.05
Employment Stability	1.00 – 1.10
Rate of Return Assumptions for Defined Benefit Plans	1.00 – 1.10
Litigation History	1.00 – 1.10
Quality of Plan Investments	1.00 – 1.15
Other – not contemplated above	.75 – 1.25

The Rate Modifications are Limited to +/- 40%

7. Extended Reporting Period / Discovery Period

The extended reporting period is an extension of the policy coverage for claims made during the extended reporting period which arise out of "Wrongful Acts" which occurred during the original Policy Period. The premium is stated as a fixed percentage of the one year premium and shall be determined based upon the merits of each risk.

**NAVIGATORS INSURANCE COMPANY
FIDUCIARY LIABILITY INSURANCE RATING PLAN**

ARKANSAS EXCEPTION PAGE

6. Rate Modifications

Modifiers are to be applied to the base premium based on the particular characteristics of an individual risk. The following are areas of evaluation and the range of factors to be applied:

A. Financial Performance

Leverage (debt)	.80 – 1.20
Liquidity	.80 – 1.20
Profitability	.80 – 1.20

We will calculate the company's performance relative to their industry peers and assign a modifier based on this.

B. Other Modifiers

Employee Stock Ownership Plan (ESOP)	1.00 – 1.50
Funding Status of Defined Benefit Plans	1.00 – 1.25
Acquisition, Divestiture Activity	.95 – 1.05
Employment Stability	1.00 – 1.10
Rate of Return Assumptions for Defined Benefit Plans	1.00 – 1.10
Litigation History	1.00 – 1.10
Quality of Plan Investments	1.00 – 1.15
Other – not contemplated above	.75 – 1.25

The Rate Modifications are Limited to +/- 25%

SERFF Tracking Number: NAVG-125847854 State: Arkansas
Filing Company: Navigators Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: SP-R-908-AR
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1006 Directors & Officers Liability
Product Name: Private Smart Policy Initial Program Filing
Project Name/Number: Private Smart Policy Initial Program Filing/SP-R-908-AR

Supporting Document Schedules

Satisfied -Name: NAIC Transmittal **Review Status:** Accepted for Informational 12/08/2008
Purposes

Comments:

Attachment:

NAIC Transmittal for AR SmartPolicy Rate Filing.pdf

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
	g. SERFF Filing #:	
h. Subject Codes		

3.	Group Name	Group NAIC #			
4.	Company Name(s)	Domicile	NAIC #	FEIN #	State #

5.	Company Tracking Number	
-----------	--------------------------------	--

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
7.	Signature of authorized filer				
8.	Please print name of authorized filer				

Filing information (see General Instructions for descriptions of these fields)

9.	Type of Insurance (TOI)	
10.	Sub-Type of Insurance (Sub-TOI)	
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12.	Company Program Title (Marketing title)	
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14.	Effective Date(s) Requested	New: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> Renewal: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
15.	Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
16.	Reference Organization (if applicable)	
17.	Reference Organization # & Title	
18.	Company's Date of Filing	
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	
21.	Filing Description	[This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

[illegible]

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	
-----------	--	--

2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	
-----------	---	--

☐ Rate Increase ☐ Rate Decrease ☐ Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	
-----------	--	--

4a.	Rate Change by Company (As Proposed)
------------	---

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

4b.	Rate Change by Company (As Accepted) For State Use Only
------------	--

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5.	Overall Rate Information (Complete for Multiple Company Filings only)
-----------	--

		COMPANY USE	STATE USE
5a	Overall percentage rate indication (when applicable)		
5b	Overall percentage rate impact for this filing		
5c	Effect of Rate Filing – Written premium change for this program		
5d	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	
-----------	---	--

7.	Effective Date of last rate revision	
-----------	---	--

8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	
-----------	---	--

9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01		[] New [] Replacement [] Withdrawn	
02		[] New [] Replacement [] Withdrawn	
03		[] New [] Replacement [] Withdrawn	